

SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING OF THE INTEGRATED FLEET AND ON-BOARD CAMERA MANAGEMENT SYSTEMS FOR A PERIOD OF THREE (3) YEARS.

BID NO: MTC 2023/24/11

BIDDER'S COMPANY NAME:	
CSD NUMBER:	
EMAIL FOR SUBMISSIONS	tendersubmissions@mtcec.co.za
BRIEFING SESSION	DATE: 31 JANUARY 2025 VENUE: REESTON DEPOT, 81 CNR DRUMMOND ROAD & MDANTSANE ACCESS, REESTON NORTH, EAST LONDON TIME: 11AM
CLOSING DATE&TIME	17 FEBRUARY 2025 @ 11AM

ENQUIRIES

SCM ENQUIRIES	TECHNICAL ENQUIRIES
Enquiries: Nosiviwe Maya Telephone no.077 600 3311 Email: mayan@mtcec.co.za	Enquiries: Mr M.Seboni Telephone no. 060 546 3171 Email: sebonim@mtcec.co.za

PREPARED BY:
SUPPLY CHAIN MANAGEMENT UNIT
81 CNR DRUMMOND ROAD& MDANTSANE ACCESS
REESTON NORTH
EAST LONDON
5200

SBD 1

PART A**INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MAYIBUYE TRANSPORT CORPORATION					
BID NUMBER:	MTC 2023/24/11	CLOSING DATE:	17 February 2025	CLOSING TIME:	11:00
BID DESCRIPTION	SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING OF THE INTEGRATED FLEET AND ON-BOARD CAMERA MANAGEMENT SYSTEMS FOR A PERIOD OF THREE (3) YEARS.				
BID RESPONSE DOCUMENTS					
Please email your submission to tendersubmissions@mtcec.co.za					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mrs N.Maya		CONTACT PERSON	Mr M. Seboni	
TELEPHONE NUMBER	043 051 7900		TELEPHONE NUMBER	043 051 7900	
FACSIMILE NUMBER	077 600 3311		FACSIMILE NUMBER	060 546 9171	
E-MAIL ADDRESS	mayan@mtcec.co.za		E-MAIL ADDRESS	sebonim@mtcec.co.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		

CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?

YES NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?

YES NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

YES NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

YES NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

YES NO

IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE EMAILED TO TENDERSUBMISSIONS@MTCEC.CO.ZA BY 11:00. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF THE BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

(Proof of authority must be submitted e.g. company resolution

Mayibuye Transport Corporation
81 Surrey Road, Vincent,
East London
5247
Phone 043 745 2582 • Fax 043 745 2586

Disclaimer

The following document is made only to, and is directed only at, persons to whom such a document may lawfully be communicated (“relevant persons”). Any person who is not a relevant person should not act or rely on this document or any of its contents.

This document contains forward-looking statements that are subject to risks and uncertainties, including statements about Mayibuye Transport Corporation’s beliefs and expectations.

These forward-looking statements are based on assumptions that Mayibuye Transport Corporation has made in light of its experience in the industry in which it operates, as well as its perceptions of historical trends, current conditions, expected future developments and other factors which Mayibuye Transport Corporation believes are appropriate under the circumstances. Relevant persons should understand that these statements are not guarantees of future performance or results.

Due to these factors, Mayibuye Transport Corporation cautions that relevant persons should not place undue reliance on any forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time-to time, and it is impossible to predict these events or how they may affect Mayibuye Transport Corporation.

To obtain additional information and/or copies of this document, please contact:

Ms Nosiviwe Maya: mayan@mtcec.co.za

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DEFINITIONS

In this document, unless the context indicates otherwise the following meaning(s) are associated with each related term and/or abbreviation

Term /Abbreviation/Acronym	Meaning
Accounting Authority	The Board of Directors appointed by the Premier or Member of the Executive Council, accountable to the Provincial Legislature and Executive Council for that public entity.
AARTO	The administration Adjudication of the Road traffic Offences Act,1998.
B-BBEE	Means broad-based black economic empowerment.
B-BBEE status level of contributor	Means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice and Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act
CEO	Chief Executive Officer
Certified	Stamped and signed by a Commissioner of Oaths
CFO	Chief Finance Officer
COO	Chief Operations Officer
Contract	Agreement that results from the acceptance of a bid by government department of organ of state.
Corporation	Mayibuye Transport Corporation
DRIVER	All employees engaged in the operation of the Corporation Vehicles
Expression of Interest	Submission of a proposal
FMS	Fleet Management System

Term /Abbreviation/Acronym	Meaning
Functionality	Means the measurement according to predetermined norms, as set out in the Bid Document, of a service or commodity that is designed to be practical and useful, adding value to the operations of MTC, working or operating, considering, among other factors the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder.
EM	Executive Manager.
Executive Authority	The Member of the Provincial Executive Council who is accountable to the Provincial Legislature for that public entity or in whose portfolio it falls.
MTC	Mayibuye Transport Corporation.
MTC Vehicles	All vehicles i.e. buses and pool vehicles that are registered and owned by M.T.C.
T R	Treasury Regulations.
OBC	On-board Computer and Camera.
Overall Vehicle Co-ordinator	The overall vehicle coordination shall be the responsibility of the Fleet Management Officer.
PFMA	Public Finance Management Act (Act No. 1 of 1999 as amended by Act No. 29 of 1999).
PPPFA	Preferential Procurement Policy Framework Act (Act No. 5, 2000).
SARS	South African Revenue Service.
SCM	Supply Chain Management.
SLA	Service Level Agreement
SMS	Short Message Service

Term /Abbreviation/Acronym	Meaning
POOL VEHICLE	A light duty vehicle (car or a LDV with a GVM of not more than 3.5 ton) this is used for transportation of M.T.C goods, conveying of staff and carrying out of official services of M.T.C.
VEHICLE COORDINATOR	A manager/supervisor appointed by the vehicle custodian to coordinate all vehicle use reports for his division. This person serves as the primary contact between vehicle custodian and overall vehicle coordinator. The middle managers in different divisions shall assume this responsibility.
VEHICLE OPERATOR	An employee authorized by the entity to drive a MTC pool vehicle.
BUS DRIVER / OPERATOR	An employee authorized by the entity to drive MTC buses.

1. BID NOTICE

Bidders are hereby invited to submit a bid that meets the requirements of Mayibuye Transport Corporation.

BID DESCRIPTION	SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING OF THE INTEGRATED FLEET AND ON-BOARD CAMERA MANAGEMENT SYSTEMS FOR A PERIOD OF THREE (3) YEARS.
BID ADVERT	This RFP may be downloaded directly from National Treasury’s e-Tender Publication Portal at www.etenders.gov.za free of charge.
EMAIL ADDRESS FOR SUBMISSIONS	tendersubmissions@mtcec.co.za
BRIEFING SESSION	Date:31 January 2025 Address: Reeston Depot 81 Coner Drummund road, Mdantsane, East London Time:11am
CLOSING DATE	17 February 2025
VALIDITY PERIOD	180 Working Days from Closing Date
SCM ENQUIRIES	Ms N.Maya
EMAIL ADDRESS	mayan@mtcec.co.za
TECHNICAL ENQUIRIES	Mr M.Seboni
EMAIL ADDRESS	sebonim@mtcec.co.za

NOTES TO BIDDERS

There will be a compulsory briefing for this bid.

Bidders are advised that this Contract shall be subject to the Control of Access to Public Premises and vehicles Act, 1985, (act No.53 of 1985) or any amendments thereto, and that for the purposes of the application of this Act, the owner of any public premises or public vehicle shall be deemed to be the CEO: MTC, or his/ her representative.

The responsibility to execute functions relating to offences as set out in schedule 1 of the Criminal Procedures Act, 1977 (Act 51, of 1997 amended).

The responsibility to execute function relating to offences as set out the Control of Access to Public Premises and Vehicle Act, 1985 (Act 53, of 1985).

The Control shall render a security service of an acceptable norms/standard that will be to the beneficial to both Parties.

All possible steps must be taken by the Contractor/Service provider to ensure that the correct, intended execution of this contract will take place.

The protection of the State property / Staff and clients of the MTC: Mayibuye Transport Corporation at the intended centres. Protection will mean the protection of the said property against theft, vandalism, and to protect staff/ clients and prevent crime.

The protection of the staff / Client against injury, death, or any offences, including those offences referred to in Schedule 1 of the Criminal Procedure Act, 1977

2. INTRODUCTION

- 2.1 The Mayibuye Transport Corporation operates as a state-owned bus passenger transport service provider belonging to the Eastern Cape Provincial Government.
- 2.2. The vision of the MTC is to become the Public Transporter of Choice.
- 2.3. It is the mission of the MTC to provide a safe, reliable, affordable public transport service that is responsive to its environment.
- 2.4. The prices tendered must be valid for 180 days.
- 2.5. There will be a compulsory briefing session for this tender.
- 2.6. All submissions must be made electronically to the email address provided by the closing date and time, as advertised, to; tendersubmissions@mtcec.co.za.
- 2.7. All submissions must be indexed appropriately.

3. BACKGROUND

Mayibuye Transport Corporation herein referred to as a corporation is a state entity established by the Ceskei Corporation Act no. 16 of 1981 and listed part D of schedule 3 of the Public Finance Management Act no.1 of 1999 as amended.

Mayibuye Transport Corporation, a passenger Public Transport provider of choice in selected routes of the Eastern Cape seeks professional service provider for the Supply, Delivery, Installation, Commissioning of the Integrated Fleet and on-board Camera Management Systems for a period of three (3) years.

Due to the technical nature of the project, MTC will pursue a two-phase approach as follows:

Phase One: Functionality Test which involves testing of capacity, experience, expertise, back-up service and most importantly a Trial Run for a period of one (1) month. Only Bidders that will get 60 out of 100 points will proceed to the next phase.

Phase Two: Evaluation of proposals that will have gone through Phase One will be determined through a 80/20 Point System.

In striving to give meaning to its vision and mission, MTC is looking at enhancing its operational efficiency through the installation of Integrated Fleet Management System with a set of features that include tracking of its fleet, vehicle management, driver monitoring and On-board cameras system, among other things. The focus on the first three elements is driven by the desire to maintain MTC's safety record when it comes to our passengers and other road users. It goes without saying that monitoring will enable the Corporation to continue to provide a relatively affordable service to its passengers who happened to be the rural poor.

The Corporation recognizes that these noble objectives can only be realized through a partnership with a service provider that can provide an Integrated Fleet Management System. This is one of the critical projects in our journey towards sustained Continuous Improvement going forward. We are therefore calling upon service providers in the market to submit proposals, expressing Interest in the Supply, Delivery, Installation, Commissioning of the Integrated Fleet and On board Camera Management Systems for a period of three (3) years, on our fleet of Seventy Seven (77) Buses and Ten (10) pool vehicles whose

details are contained in the attached Excel Spreadsheet. The fleet number may change due to either new acquisitions or scrapping, hence the final fleet number will be confirmed with the successful bidder. In limiting our risk exposure that is sometimes associated with investing on similar projects, the Corporation resolved to adopt a two-phased approach by first engaging in a Trial Phase of two (2) months as part of Functionality Test, after which the Corporation will enter the 3-year contract with a successful service provider.

4. AIMS AND OBJECTIVES

The objective of this bid is to appoint a suitable and duly qualified service provider for the supply, delivery, installation, commissioning of the integrated fleet and on-board camera management systems for a period of three (3) years.

- 4.1 To ensure effective, efficient, and transparent use of transport resources.
- 4.2 To reduce and manage vehicle related risks and abuse to the Corporation.
- 4.3 Establish accountability and responsibility of all users of M.T.C vehicles.
- 4.4 To acquire an accident management tool that will provide credible data which can be used in accident management cases.
- 4.5 A tool to enable the Corporation in identifying driver training needs as well as encouraging competition among them, thereby achieving decent operation of the fleet with the benefit of manageable maintenance costs and prolonged fleet lifespan.

5. SPECIAL CONDITIONS OF THE BID

5.1. INTERPRETATION

The word "Bidder" in these conditions shall mean and include any firm of Contractors or any company or body incorporated or unincorporated.

The word "Corporation" in these conditions shall mean the **Mayibuye Transport Corporation**.

5.2. EXTENT OF BID

This bid is for the:

Appointment of service provider for supply, delivery, installation, commissioning of the integrated fleet and on-board camera management systems for a period of three (3) years

5.3. CONTRACT TO BE BINDING

The formal acceptance of this bid by the Corporation will constitute a contract binding on both parties, and the Corporation may require sureties to its satisfaction from the contractor, for the due fulfilment of this contract, should it be requested in the Terms of Reference

5.4. MODE OF BID

All Bids shall be completed and signed: All forms, annexures, addendums and specifications shall be signed and returned with the Bid document.

5.5. SIGNING OF DOCUMENTS

Bidders are required to return the complete set of documents duly signed.

In the event that a resolution to sign is not completed by all directors/ members of the enterprise, the signature of any one of the directors or members to this quotation will bind all the directors/ members of the enterprise and will therefore render the quotation valid. In the event that a non- member/ non-director to the enterprise sign this declaration, and no authority is granted, it will automatically invalidate the quotation. In the case of a joint venture or consortium, at least one director/ member of each of the parties need to sign the joint venture or consortium agreement. Furthermore, in the case of a joint venture or consortium at least one director/ member of each party to the joint venture or consortium must give consent to give authorisation for signatory to this bid.

5.6. PERIOD OF VALIDITY FOR BIDS AND WITHDRAWAL OF BID AFTER CLOSING DATE

All bids must remain valid for a period of **180** days from the closing date as stipulated in the bid document.

The service providers are invited to submit a detailed proposal that includes the tender documents, deliverables and quote in South African Rand, including VAT. A company profile should be attached as an appendix.

The tender must be submitted to tendersubmissions@mtcec.co.za by the closing date and time as advertised with the tender reference no.

The Corporation reserves the right to reject any and/or all bids, to waive any and/or all formalities and to accept the one deemed most advantageous to Mayibuye Transport Corporation and the Province of the Eastern Cape.

No tender received late or by telegram, telex, email, facsimile or similar medium will be considered

Where a tender document is not in the email inbox at the time of the tender closing, such a tender document will be regarded as a late tender. Late tenders will not be considered.

Amended tenders may be sent via email with a subject line "Amendment to tender" and should be placed in the email inbox before the closing time.

The bidder is responsible for all the cost that they shall incur related to the preparation and submission of the tender document.

Kindly note that Mayibuye Transport Corporation is entitled to amend any tender conditions, validity period, specifications or extend the closing date of tenders before the prescribed closing date. All tenderers, to whom the tender documents have been issued, will be advised in writing of such amendments.

The Corporation reserves the right not to accept the lowest tender or any tender in part or in whole. It normally awards the contract to the tenderer who proves to be fully capable of handling the contract and whose tender is technically acceptable and/or financially advantageous to Mayibuye Transport Corporation — (in line with the MTC social aspirations);

The Corporation also reserves the right to award this tender to: -
an organisation that has strong BEE credentials in terms of current BEE legislation.
ii. an organisation that is a joint venture with a black empowered company.
iii. This will be added to the criteria when evaluating the tenders.

The Corporation also reserves the right to award this tender as a whole or in part without furnishing reasons.

The Corporation also reserves the right to cancel or withdraw from this tender as a whole or in part without furnishing reasons.

The tenderer hereby offers to render all or any of the services described in the attached documents to the Corporation on the terms and conditions and in accordance with the specifications stipulated in this Tender document (and which shall be taken as part of, and incorporated into, this Proposal at the prices inserted therein).

This Proposal and its acceptance shall be subject to the terms and conditions contained in this tender document.

Tenders submitted by Companies must be signed by a person or persons duly authorised thereto by a resolution of a board of Directors, a copy of which resolution, duly certified be submitted with the tender.

The bidder hereby agrees that the offer herein shall remain binding upon him/her and receptive for acceptance by the corporation during the validity period indicated and calculated from the closing hour and date of the Tender.

The bidder furthermore confirms satisfaction regarding the correctness and validity of this tender response and that all prices and rates quoted cover all the work / items specified in the tender response documents and that prices and rates quoted cover all obligations under any resulting contract and that the bidder accepts that any mistakes regarding prices and calculations will be at their own risk.

The bidder hereby accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under this agreement as the principal(s) liable for the due fulfilment of this contract.

Failure to comply with any of the terms and conditions as set out above will invalidate the tender.

Completion and signature of the "Details of the Tenderer" (Respondent) form (Form SBDI) are mandatory and confirm acceptance of these Terms and Conditions of Tender. Where the SBDI document is not signed by the person authorised to sign, the bid will be disqualified.

The BEE codes being applied are based on the codes from the Department of Trade and Industry.

Note that all General Conditions of Contract terms will apply.

TERMS OF REFERENCE:

APPOINTMENT OF SERVICE PROVIDER FOR SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING OF THE INTEGRATED FLEET AND ON-BOARD CAMERA MANAGEMENT SYSTEMS FOR A PERIOD OF THREE (3) YEARS

BID NO.: MTC 2023/24/11

CLOSING DATE: 17 FEBRUARY 2024

VALIDITY PERIOD: 180 DAYS

6. TECHNICAL SPECIFICATION

The prospective service provider is hereby invited to bid for the Supply, Delivery, Installation, Commissioning of the Integrated Fleet and on-board Camera Management Systems for a period of three (3) years on all MTC vehicles as per the included vehicle list and future additional units as and when the Corporation acquires more vehicles. Below are specific requirements that are critical for MTC.

6.1 **Features and Benefits:**

- 6.1.1 Real-time tracking gives regular vehicle position updates via online portal or mobile App.
- 6.1.2 Real-time event notifications via SMS, Email and Mobile push notifications.
- 6.1.3 Driver route and behavior monitoring to achieve decent vehicle handling, low maintenance costs and extended lifespan.
- 6.1.4 Finding the nearest vehicle to a certain location to facilitate quick deviations in cases of breakdown.
- 6.1.5 Location management with live & historical tracking and trip replays viewed on a digital map.
- 6.1.6 Backup battery making tracking possible even if the vehicle's main battery has been disconnected.
- 6.1.7 GPS Data recording including vehicle and driver ID, Date and Time, Latitude and Longitude, Speed, etc.
- 6.1.8 Manage locations and edit User-defined locations such as no-go zones.
- 6.1.9 Vehicle battery tempering alert.
- 6.1.10 Trip Data recording including date and time, distance travelled, journey duration, vehicle speed, journey departure and arrival time, location being entered/ exited, Driver name, Driver ID and Vehicle ID.

6.2 **Hardware and Software**

- 6.2.1 On-board computer (OBC) with over the air downloading from or uploading to OBC.
- 6.2.2 Web platform.
- 6.2.3 Smart phone application.
- 6.2.4 Automated reporting service including movement history and vehicle utilization.

7. FLEET MANAGEMENT

- 7.1 Vehicle Management – Services (Scheduled Maintenance), License renewal schedule reminders, COF, Roadworthy Certificate Expiry.
- 7.2 Maintenance cost - Provide report for individual maintenance costs for each bus, Job Card Safety check Printing for Repairs and Maintenance. There should be a tablet to print safety checks.
- 7.3 Location Management – Live and Historical tracking.
- 7.4 Driver Management – Identify drivers, proactively manage certifications and licenses and report discrepancy, driver route and driving behavior monitoring (Impact, Over-speeding, Harsh braking, Harsh Acceleration, Harsh Cornering) Driver violations, Driver scoring, and PDP.
- 7.5 Accident and Incident Management.

8. ON BOARD CAMERA SYSTEM

- 8.1 On-board cameras, coupled with telematics (GPS), are slowly becoming the norm and is allowing fleet owners to not only manage driving behavior but also to now see what their drivers are doing, utilizing this technology allows Managers to monitor the all-round efficiency of their fleet.
- 8.2 Onboard Cameras are devices that can capture and report video footage from vehicles, such as buses.
- 8.3 They can serve various purposes, such as Driver Monitoring, Diesel theft, and fare evasion.
- 8.4 Onboard Cameras are the professional choice for on board monitoring scenarios.
- 8.5 They can provide stable performance on the move, as adopt anti-vibration and fireproof Design.
- 8.6 Onboard Cameras can also help deter crime, reduce accidents, and improve driver behavior.
- 8.7 The On-board cameras should be installed, at the following location on the Bus / Vehicles:
 - 8.7.1 At the front facing back, inside the bus.
 - 8.7.2 At the back of the bus, facing the bus entrance.
 - 8.7.3 On top of the diesel tank.
 - 8.7.4 On both sides, looking at the diesel tank.
 - 8.7.5 Inside the cabin above the driver's dashboard.

8.7.6 Front of the bus.

8.7.7 Passenger door entrance, looking at driver's seat, checking driver's movements.

9. SERVICE

9.1 The Fleet Management System and On-Board Camera system should be rendered as an Integrated Fleet Management System in terms of this contract.

9.2 The system should have the capacity to add Additional Systems and Features.

10. CONTRACTOR

The person or persons, partnership, closed corporation, firm, or company who's tender for this service was accepted.

11. AGREEMENT

This comprises the agreement to be signed by the successful bidder and MTC, the conditions of tender and the specifications thereof.

12. AGREEMENT PERIOD

This is the period during which the service is to be rendered and originally determined in the agreement, or as amended, extended, or renewed in accordance with stipulations of the agreement, which is 36 months.

13. PARTIES

Mayibuye Transport Corporation, hereinafter referred to as the MTC and the successful bidder, hereinafter referred to as the contractor.

14. DEPOT MANAGEMENT

The person/s in charge of the specific Centre and who is/are official/s acting on behalf of the MTC.

15. TERMINATION OF SERVICES

Should the Contractor fail to meet the conditions of this contract, or continue rendering unsatisfactory service, MTC reserves the right to terminate the contract, with the permission of MTC Board, and after written notification has been served on the Contractor, with retention of the right to recover from the Contractor any losses which MTC may suffer/incur because of the failure, without prejudicing any other rights it may have.

The MTC may terminate the contract immediately should the Contractor no longer qualify for continued service.

16. SERVICE LEVEL AGREEMENT ELEMENTS

The following elements will be reflected in the Service Level Agreement with penalties for non-compliance:

A de-merit system with penalty points shall apply for certain aspects of non-compliance.

Penalty points on the scale of one to ten will be given to all transgressions, which will translate into monetary deductions from all monies due or payable to the service provider.

The above should enhance security at all levels as the monitoring company's interest will be in quality control and the service provider will be forced to deliver service of a very high standard. Repeat offenders will be cautioned and the necessary steps will be taken if the level of service does not improve.

All theft/losses and transgressions will be recovered from the service provider in conjunction with a demerit nut in place. All offences will be converted to money for all the transgressions.

A company will be made to sign a credit note for the deductions of transgressions.

Clients will be advised on all actions to be taken against the company.

17. EVALUATION CRITERIA

In addition to the requirements as stated, all bids will be evaluated based on price and proposal and the proposal that will best suit the corporate operational requirements of the Mayibuye Transport Corporation.

The bid will be evaluated based on the Preferential Procurement Policy Framework Act (Act No. 5, 2000), and the regulations pertaining thereto (2022) as well as Mayibuye Transport Corporation's Procurement policy

Qualifying Proposals will be evaluated based on the following evaluation criteria:

EVALUATION CRITERIA	WEIGHTING
Stage 1 – Compliance	
Stage 1A	Mandatory Requirements
Stage 1B	Non-Mandatory Requirements
Stage 2	
Functionality Requirements	Threshold of 60 points
Stage 3	
Price	80
Specific Goals	20
TOTAL	100

17.1 COMPLIANCE-STAGE 1

STAGE 1: COMPLIANCE REQUIREMENTS

Bidders are to comply with the following requirements and failure to comply may lead to disqualification.

STAGE 1A – MANDATORY REQUIREMENTS

If you do not submit/meet the following mandatory documents, your bid will be automatically disqualified. Please note bidders will not be evaluated further if they do not meet the mandatory requirements.

Bidders are required to include in their bid document the following:

- 17.1.1 Original and signed MTC SBD 1 Form “Invitation to Bid”. Each page must be initiated.
- 17.1.2 Original and signed MTC SBD 3.1 Form “Firm Pricing Schedule”. Each page must be initiated.
- 17.1.3 Original and signed MTC SBD 4 Form “Declaration of Interest”. Each page must be initiated.
- 17.1.4 Original and signed MTC SBD 6.1 Form “Preferential Points Claim Form”. Each page must be initiated.
- 17.1.5 Original and signed MTC SBD 7.2 Form “Rendering of Services”. Each page must be initiated.
- 17.1.6 ICASA certificate

CHECKLIST

No	Description	Tenderer to Tick	For Official Use
1	Authority to sign a bid (Is the form duly completed?)		C
2	Tax Clearance Certificate (Is an ORIGINAL and VALID Tax Clearance Certificate attached)		
3	ICASA certificate, in the name of the bidding company		C
4	Declaration of Interest (Is the form duly completed and signed?)		C
5	Preference Points Claim Form (Is the form duly completed and signed?)		
6	Form of Offer (Is the form duly completed and signed?)		C
7	Central Supplier Database Registration (Is the form duly completed and signed? Are ALL the supporting documents attached?)		

No	Description	Tenderer to Tick	For Official Use
8	*Trial Phase (Is the Bidder prepared to install the system on a trial basis for three (3) months period? Inclusive of one month test phase)		C

NB: *Trial Phase forms part of the Functionality Test and a Pre-condition for Bidders to proceed to the next Phase on condition that Bidders get 75 out 100 points. This is a risk mitigation measure for MTC before she commits on a three (3) year contract with the bidder.

2. ** C – Failure to comply with these Sections may prejudice the Bidder

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF THE BIDDER			

Failure to submit any of the above documents may render the proposal non-responsive and it will be disqualified from the bid process. Where possible the corporation reserves the right to request further particulars

17.2 STAGE 1B – NON-MANDATORY REQUIREMENTS (REQUIRED INFORMATION FOR BIDDING)

MTC may request the bidder to submit the information within five (5) working days where necessary. Should this information not be provided, your bid proposal will be disqualified.

Bidders will be required to be compliant with the following requirements upon appointment. Proof of documentation will be requested and verified.

- Valid original Tax Clearance Certificate
- Certified ID Copies of all directors of the company
- CSD Report
- Certified copies of company registration document

17.3 STAGE 2

FUNCTIONALITY – STAGE 2

The evaluation of technical proposals will be based on their responsiveness to the Terms of Reference, applying the evaluation criteria and point system indicated below. Each responsive proposal will be given a technical score. A proposal considered to be unsuitable shall be rejected at this stage if it does not respond to important aspects of the Terms of Reference. The MTC shall notify bidders of the rejection of their technical proposal after completing the selection process.

Tenders will be awarded on the absolute discretion of the Board with the recommendation of the Finance and Investment Committee, in accordance with internal policies and statutory regulations. The decision will be final and binding, no correspondence will be entered into.

Bidders are required to include in their bid document, a detailed project plan for the rollout of the machines, installation of all software and configuration of client machines by the service provider with specific timelines. MTC Operational Requirements should not be interrupted, hence the plan should consider installation that will be carried out during breaks, after hours and weekends.

Bidders will assign a dedicated account manager to manage the contracts / account.

Bidders are required to prove their experience in relation to the scope of the tender by submitting the contact details of at least 2 corporate clients that would demonstrate their competence to meet the full range of requirements of the Mayibuye Transport Corporation. **Letters of reference must be included** stipulating the service which was rendered by the bidder and the contract time frame and value.

Interested bidders shall then be evaluated on functionality after meeting all compliance requirements outlined.

The minimum threshold for technical/functionality requirements is 60% of each criterion as per the standard evaluation criteria presented in the table below. Bidders who score below this minimum requirement shall not be considered for further evaluation in stage 3.

Details of the technical / functional requirements are presented in Table below

	CRITERIA	POINTS
1	Methodology	30
2	Capacity to undertake the job	30
3	Evaluation of the system	20
4	Company experience	20
	TOTAL	100

CRITERIA	SUB-POINT ALLOCATION	MAXIMUM POINTS AND WEIGHTING
<p>Methodology</p> <p>Bidders must submit a detailed project plan that will demonstrate how the supply and delivery, installation and maintenance of the service will be rolled out to MTC and across all the depots.</p> <p>The Methodology must be aligned in terms of outlined scope with clear timelines. The prompt for judgement table on page 13 will be applied to evaluate these criteria.</p> <ul style="list-style-type: none"> • No project plan • Detailed project plan outlining one element (either scope of work or clear timelines) • Detail project plan outlining both elements (scope and clear timelines) 	<p style="text-align: center;">0</p> <p style="text-align: center;">10</p> <p style="text-align: center;">30</p>	<p style="text-align: center;">30</p>
<p>Capacity to undertake the job</p> <ul style="list-style-type: none"> • Bidders will assign a dedicated account manager to manage the contracts / account. • Demonstrate plan to service all MTC Operating Centres. 	<p style="text-align: center;">15</p> <p style="text-align: center;">15</p>	<p style="text-align: center;">30</p>
<p>Evaluation of the System</p> <ul style="list-style-type: none"> • Reports. • Notification on the System-(2 Month in advance) Licensing, COF,and Services. • Demo. 	<p style="text-align: center;">10</p> <p style="text-align: center;">5</p> <p style="text-align: center;">5</p>	<p style="text-align: center;">20</p>

CRITERIA	SUB-POINT ALLOCATION	MAXIMUM POINTS AND WEIGHTING
<p>Company Experience</p> <p>Bidders are required to prove their experience in relation to the scope of the tender by submitting the contact details of at least 2 corporate clients that would demonstrate their competence to meet the full range of requirements of the Mayibuye Transport Corporation. Letters of reference must be included stipulating the service which was rendered by the bidder and the contract time frame and value.</p> <p>More than 5 years</p> <p>Between 2 – 5 years</p> <p>Less than 2 years</p>	<p>20</p> <p>10</p> <p>5</p>	<p>20</p>
Total		100

*****A minimum of 60 points must be attained from functionality to proceed to stage 3. Failure to obtain the required number of points will result in the bidder’s proposal being declared non-responsive.**

17.4. STAGE 3

80/20 PREFERENCE POINTS STAGE 3

Bidders must submit a separate pricing schedule detailing fees for the supply, delivery, installation, commissioning of the integrated fleet and on-board camera management systems for a period of three (3) years.

Bidders should provide their price proposal and provide proof of Specific Goals. They will be evaluated on price and specific goals using the 80/20 preference point system, as per the table below:

CRITERIA	POINTS
PRICE	80
SPECIFIC GOALS	20
TOTAL POINTS FOR PRICE AND SPECIFIC GOALS	100

FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

POINTS AWARDED FOR PRICE

THE PREFERENCE POINT SYSTEMS

Maximum points are allocated for price on the following basis:

80/20

or

90/10

$$PS = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

$$PS = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

POINTS AWARDED FOR SPECIFIC GOALS

In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/documentation stated in the conditions of this tender:

In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system

Table for Specific goals

The specific goals allocated points in terms of this tender	Acceptable evidence	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
100% Black ownership	CIPC registration document, Affidavit and Certified copies of ID for the directors	40%	
51% - 99% black ownership	CIPC registration document, Affidavit and Certified copies of ID for the directors	30%	
Less than 51% ownership	CIPC registration document, Affidavit and Certified copies of ID for the directors	10%	
Women Equity ownership	CIPC registration document, Affidavit and Certified copies of ID for the directors	30%	
Youth Equity ownership	Certified copies of ID documents of the owners	15%	
People with Disability	Letter from the medical practitioner confirming the disability	5%	
Locality within the Eastern Cape	Proof of Company address	10%	

Failure to submit the required documentation for acceptable evidence will result in the bidders forfeiting the points for specific goals.

18. CONDITIONS OF THE TENDER:

The service providers are invited to submit a detailed proposal, that includes the tender document, deliverables and quotation for services to be rendered in South African Rand including VAT. A company profile should be attached as an appendix.

- 18.1.1 The tender must be submitted to tendersubmissions@mtcec.co.za by the closing date and time as advertised.
- 18.1.2 The Corporation reserves the right to reject any and/or all bids, to waive any and/or all formalities and to accept the one deemed most advantageous to Mayibuye Transport Corporation and the Province of the Eastern Cape.
- 18.1.3 The company name and the return address must also be endorsed on the submission.
- 18.1.4 No tender received late or by post, telegram, telex, facsimile or similar medium will be considered.
- 18.1.5 Where a tender document is not submitted by the closing date and time, such a tender document will be regarded as a late tender. Late tenders will not be considered.
- 18.1.6 Amended tenders may be sent marked "Amendment to tender" and should be emailed to the email provided before the closing date and time.
- 18.1.7 The tenderer is responsible for all the cost that they shall incur related to the preparation and submission of the tender document.
- 18.1.8 Kindly note that Mayibuye Transport Corporation is entitled to amend any tender conditions, validity period, specifications or extend the closing date of tenders before the prescribed closing date. All tenderers, to whom the tender documents have been issued, will be advised in writing of such amendments.
- 18.1.9 The Corporation reserves the right not to accept the lowest tender or any tender in part or in whole. It normally awards the contract to the tenderer who proves to be fully capable of handling the contract and whose tender is technically acceptable and/or financially advantageous to Mayibuye Transport Corporation – (in line with the MTC social aspirations).
- 18.1.10 The Corporation also reserves the right to award this tender as a whole or in part without furnishing reasons.
- 18.1.11 The Corporation also reserves the right to cancel or withdraw from this tender as a whole or in part without furnishing reasons.
- 18.1.12 The tenderer hereby offers to render all or any of the services described in the attached documents to the Corporation on the terms and conditions and in accordance with the specifications

stipulated in this Tender document (and which shall be taken as part of, and incorporated into, this Proposal at the prices inserted therein).

- 18.1.13 This Proposal and its acceptance shall be subject to the terms and conditions contained in this tender document.
- 18.1.14 Tenders submitted by Companies must be signed by a person or persons duly authorised thereto by a resolution of a Board of Directors, a copy of which Resolution, duly certified be submitted with the Tender.
- 18.1.15 The tenderer hereby agrees that the offer herein shall remain binding upon him/her and receptive for acceptance by the Corporation during the validity period indicated and calculated from the closing hour and date of the Tender.
- 18.1.16 The tenderer furthermore confirms satisfaction regarding the correctness and validity of this Tender response and that all prices and rates quoted cover all the work / items specified in the Tender response documents and that prices and rates quoted cover all obligations under any resulting contract and that the tenderer accepts that any mistakes regarding prices and calculations will be at their own risk.
- 18.1.17 The tenderer hereby accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under this agreement as the principal(s) liable for the due fulfilment of this contract.
- 18.1.18 Failure to comply with any of the terms and conditions as set out above will invalidate the tender.
- 18.1.19 Completion and signature of the "Details of the Tenderer" (Respondent) form (Form SBD1) are mandatory and confirm acceptance of these Terms and Conditions of Tender. Where the SBD1 document is not signed by the person authorised to sign, the bid will be disqualified.
- 18.1.20 The successful bidder will be required to enter and sign a Service Level Agreement which will apply for the duration of the contract term.
- 18.1.21 Tenders submitted are to be valid for a period of 180 days.

Note that all General Conditions of Contract terms will apply.

19. STANDARD BIDDING DOCUMENTS

SBD 3.1

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder..... Bid number.....	
Closing Time 11:00 date:17/02/2025.....	Closing

OFFER TO BE VALID FOR...180.....DAYS FROM THE CLOSING DATE OF BID

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **<i>(ALL APPLICABLE TAXES INCLUDED)</i>

- Required by:

- At:
.....

- Brand and model

- Country of origin

- Does the offer comply with the specification(s)? *YES/NO

- If not to specification, indicate deviation(s)

- Period required for delivery

*Delivery: Firm/not firm

- Delivery basis

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

** "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

*Delete if not applicable

SBD 4

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? YES/NO

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? YES/NO

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? YES/NO

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

3.1 I have read and I understand the contents of this disclosure;

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.5 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

- a) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) “tender” means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) “price” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) “rand value” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) “tender for income-generating contracts” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) “the Act” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 or 90/10

$$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where

P_s	=	Points scored for price of tender under consideration
P_t	=	Price of tender under consideration
P_{min}	=	Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

$$80/20 \quad \text{or} \quad 90/10$$
$$P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) \quad \text{or} \quad P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

Where

P_s	=	Points scored for price of tender under consideration
P_t	=	Price of tender under consideration
P_{max}	=	Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
 - (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.
 (Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.
 Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Historically Disadvantaged Individuals a) 100% black ownership (b) 51% to 99% black ownership (c) Less than 51% black ownership	8 6 2	
Black Women ownership a)100% black women ownership b)30% to 99% black women ownership (c) Less than 30% black	6 4 2	
Black youth ownership a)100% black youth ownership	3	

b) 30% to 99% black youth ownership	2	
c) Less than 30% black youth	1	
People with Disability		
(a) 10% or more disabled people ownership	1	
(b) Less than 10% disabled people ownership	0	
Locality		
a) Within the Eastern Cape	2	
(b) Outside the Eastern Cape	0	

DECLARATION WITH REGARD TO COMPANY/FIRM

- 4.3. Name of company/firm.....
- 4.4. Company registration number:
- 4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[Tick applicable box]

- 4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:
 - i) The information furnished is true and correct;
 - ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
 - iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
- (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution) in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .

2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Bidder's Disclosure form;
 - Special Conditions of Contract;

- (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as.....
accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

4.I confirm that I am duly authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

20. PRICING SCHEDULE

ITEM	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL CONTRACT PRICE
Vehicle tracking and monitoring system	Hardware Fee	Once Off	90		
Vehicle tracking and monitoring system	Installation Fee	Once Off	90		
Vehicle tracking and monitoring system	Subscription Fee	Monthly	90		
Vehicle tracking and monitoring system	De-installation Fee	Once Off	90		
Onboard camera	Hardware Fee	Once Off	90		
Onboard camera	Installation Fee	Once Off	90		
Onboard camera	Subscription Fee	Monthly Fee	90		
Onboard camera	De-installation Fee	Once Off	90		
Fleet Management System	Subscription Fee	Monthly	90		

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which

may be due to him

25. Force Majeure

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34 Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.